5 July 1973

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting between Mr. Roy Ash, OMB, and Mr. Colby. 5 July 1973

- 1. The meeting was convened to discuss the draft of the paper on Objectives for the Intelligence Community. Those present in addition to Messrs. Ash and Colby were: Messrs. B. A. (Dolph) Bridgewater, Arnold Donahue, Donald Ogilvie, James Edwards and the undersigned.
- 2. Mr. Ash expressed general satisfaction with the paper in its present form. He said he had talked with the President recently and the President indicated he was ready to receive the objectives any time after 15 July and was prepared to deal with them.
- 3. Mr. Ash indicated a desire for some type of frequent (every few months) meetings with OMB to discuss progress in attaining objectives. Action: Allen and Bridgewater.
- 4. No written report to the President was anticipated as being needed prior to the next annual submission which should contain a report of the past year's progress. Mr. Colby said that next year's objectives would address more substantive issues; this year's are mostly management.
- 5. NSCIC. OMB expressed concern that activities of this Committee were not really within the control of the DCI. Mr. Colby agreed but intended to work to make it more effective -- perhaps using telephonic procedures similar to 40 Committee style. He added that a problem remaining is that NSCIC should represent users but tends to be comprised of intelligence folk. Action: Allen and

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6. Manpower reduction concern was felt by all. Legislation permitting more selective reduction by other agencies is desired but will be difficult to obtain. Manpower reductions in federal employees are desired as a matter somewhat independent even of near-term cost concern.

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- 7. Mr. Ash emphasized the strong need for the DCI to assume authoritative leadership--difficult but necessary. Regarding submission of the National Intelligence Program Budget, OMB indicated their part of that process. Mr. Colby said he anticipated some differences arising between his recommended program to the President and the Defense submissions for intelligence. Such a difference should perhaps not be reconciled in IRAC but even encouraged to provide Congress concrete evidence that the process is working. that differences are to be expected and that the President will resolve them.
- 8. Bridgewater asked for specific examples of Product Review studies. Action: Allen and
- 9. For "E. Military Intelligence," Bridgewater noted that no dates are provided -- since action is with DOD, that is understandable but he hopes we will specify dates as soon as possible. Action: Allen.
- 10. A rather lengthy discussion of problems in economic intelligence occurred. OMB cautioned against much increase in resources applied until the process is better defined. Mr. Ash emphasized the need for better anticipatory (predictive) information which may affect government policy--e.g., prediction of re-evaluation of the Mark--and less information of the sort obtained from newspapers on current activities.
- 11. It was agreed that with a few minor changes in the draft, OMB was happy with it and trusted that Mr. Colby would forward it to the President when he was confirmed and satisfied with the paper.
- 12. Mr. Colby indicated he planned to be more specific in assigning tasks to community agencies which were needed to implement the objectives and would include some of those task assignments in the Planning Guidance.

(Signed) Lew Allen

Lew Allen, Jr. D/DCI/IC

ec: Mr. Colby General Graham

IC:LA:dm

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Original - Mr. Colby

1 - Gen. Graham

1 - ER

2- IC Registry subject/Chrono

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